



ENVIRONMENTAL INFORMATION FOR WISCONSIN SMALL BUSINESSES

Summer 2003

Volume 9, Issue 3

State Sends Recommendations for Ozone Nonattainment Areas to USEPA

On July 14, 2003, Governor Jim Doyle sent a letter to Acting Administrator Marianne Lamonte Horinko of the US Environmental Protection Agency (USEPA). The letter detailed the Governor's recommendations regarding designation of counties as nonattainment under the new federal 8-hour ozone standard.

Recommendations

Governor Doyle's recommendations included the following counties:

Milwaukee	Kenosha
Ozaukee	Sheboygan
Racine	Door
Washington	Kewaunee
Waukesha	Manitowoc

There were a number of public meetings in June 2003 at which the designation of Jefferson County was discussed. After much input from businesses and county economic development interests, and

considering a lack of data for the year 2000, the Governor decided to make no recommendation on the status of Jefferson County. USEPA has agreed to use data from the 2001-2003 ozone seasons to designate Jefferson County.

Depending on the 2003 ozone season data other counties may also be elevated into nonattainment. A handful of counties are very close to triggering the designation to nonattainment.

What Will This Mean to My Business?

Newly designated nonattainment counties will have the most striking changes affecting their businesses. Businesses within the counties that have been nonattainment under the present 1-hour standard will not experience many differences.

Some rules that will likely affect any
(continued on page 2)

New From the Small Business Clean Air Assistance Program...

✓ Documenting Your Environmental Management Plan - a Workbook for Small Business - a workbook for use with the Practical Guide to Environmental Management

✓ Practical Guide to Environmental Management for Small Business

✓ Air Permit Compliance Calendar

To order:
call (608) 264-6153
or (608) 267-9214;
fax (608) 267-0436;
or email CleaAir@commerce.state.wi.us

Be On the Lookout for a New Advisor Format!

Coming Soon

While we do not know what our new format will be, we do know that the Department of Commerce (Commerce) is developing a new format. This new format will be used on all newsletters printed by Commerce programs.

The new format may be available by the time we print our Fall 2003 edition so don't be surprised if you don't see our familiar format in November/December.

Another element of the newsletter formatting changes is the development of a new Commerce newsletter which everyone on our mailing list will be given the opportunity to receive.

The new Commerce newsletter will have a small section on environmental issues, but if you need the details on environmental issues you'll want to continue to receive the **Advisor**. Our format may change, but not our environmental content. ❖

In This Issue...

Article	Page
State Recommends Ozone (cont'd).....	2-3
New Federal Resources.....	4
Document your Env. Mgmt Plan.....	4
Title V Permits for Area Sources.....	5
MACT Exemptions...	6
DNR Hot Topics.....	7
Energy Assistance Providers.....	8

State Recommendations on Ozone Nonattainment (cont'd from page 1)

county that is newly designated as nonattainment include:

- ✓ Nonattainment Area New Source Review - for major sources, including finding offsets for the proposed emissions from the new project.
- ✓ RACT Rules.
- ✓ Transportation Budgets.

The final regulations will depend on the level of nonattainment designation assigned by USEPA. So, what will each of these rules mean to you?

New Source Review

Counties in **attainment** with the 1-hour ozone standard operate under the Prevention of Significant Deterioration (PSD) rules for major new source review. PSD major sources have emissions greater than 250 tons per year (TPY) of any one criteria pollutant (except for certain industrial source categories where it is 100 TPY.)

Nonattainment area major new source review levels would be no more than 100 TPY; some counties and/or source categories may have lower levels. Major sources would not only have to install a certain level of emission controls, but also have to find some other business that had eliminated the amount of pollution they wanted to permit for the new project (called offsets).

The ratio of offsets needed for a construction project will be determined based on the level of nonattainment in the county or counties if grouped together

as CMSA (combined metropolitan statistical areas), like the Milwaukee/Racine CMSA which includes the counties of Milwaukee, Ozaukee, Racine, Washington, and Waukesha. Kenosha is included in a CMSA with Chicago, IL and Gary, IN. The offset ratio can range from 1:1.1 up to 1:1.3, where the offsets needed are slightly larger than the amount of emissions expected from your project. So for every one ton of emissions from a project, the business would need to find 1.1 to 1.3 tons of emissions offsets. This ensures emissions are being reduced in the area.

RACT Rules

Reasonably Available Control Technology (RACT) rules have been established for certain industry categories. These rules primarily affect businesses within the nonattainment areas, but some attainment counties also have RACT rules in place.

Most of the RACT rules affect industries with processes that have emissions of volatile organic compounds (VOCs). The rules usually set limits on the amount of VOCs in the raw materials or an equivalent level of control using add-on devices like a scrubber or incinerator. As the name says, these raw material limits or control levels are something "reasonably available" in the marketplace for the industry as a whole.

There is also the potential for
(continued on page 3)

What is Ozone?

Ten to fifteen miles above the earth, stratospheric ozone occurs naturally and protects us from exposure to the sun's ultraviolet radiation. At ground-level, ozone is a result of a chemical reaction between certain air pollutants and sunlight. Ground-level ozone can cause health problems.

Ozone is good up high, but bad nearby!

During the hot summer months, nitrogen oxides (NOx) and volatile organic compounds (VOCs) from fuel combustion (cars, lawn mowers, grills) or solvents (paints, glues) react with sunlight to form ozone. USEPA has set standards for ozone and other air pollutants. When ground-level ozone is high, it can cause eye irritation, headaches, shortness of breath, wheezing, and coughing.

When the levels are very high, everyone will feel some effects. Children, the elderly, and people with lung conditions such as emphysema, asthma, and chronic bronchitis are especially sensitive to even slightly elevated levels of ozone.

The Milwaukee area designated as nonattainment for ozone has a program called Ozone Action! Days to let people know when conditions are ripe for high ozone. When an Ozone Action! Day is called, people can help reduce ozone by combining errands, limiting unnecessary trips, carpooling, avoiding driving during peak hours, and using gas-powered lawn equipment and refueling cars after 6 p.m. **Those living in counties with ozone levels close to the standard can do similar things to possibly avoid the nonattainment designation.**

For more information on ozone reduction efforts, go to:

www.cleanairwisconsin.org/actionIdeas.htm
www.epa.gov/air/urbanair/ozone/effrt.html
www.epa.gov/airnow/publications.html



State Recommendations on Ozone Nonattainment (cont'd from page 2)

NO_x (Nitrogen oxides) RACT rules to be established for certain industrial source categories. A NO_x waiver is in place under the 1-hour ozone standard, because DNR has shown NO_x reductions would actually increase ozone levels. The waiver will not automatically apply for the 8-hour ozone standard. New modeling would be done to determine NO_x impact on 8-hour averaged ozone levels.

Transportation Budget

In order to manage steady emissions reduction in a nonattainment area, the DNR will set emissions budgets (like an emissions cap) for each of the various contributing sectors: industry, vehicles/transportation. The counties and the different management bodies within them have to work out how to meet those budgets. In the present Milwaukee nonattainment area, the Southeast Regional Planning Commission manages the transportation budget for the six county area. They have to determine the level of emissions from each new or maintenance road project and determine if they can meet their annual budget given expected traffic patterns from the changes/improvements to the roads. If they ever found that they couldn't meet the budget, certain projects would have to be delayed.

Other methods used in the 1-hour nonattainment areas are not as likely to affect the newly designated counties unless they end up with a higher nonattainment designation. These are: vehicle inspection maintenance programs, reformulated gasoline and gasoline distribution stage II vapor recovery. These are methods available to achieve reductions if DNR finds through modeling that the techniques mandated by USEPA are insufficient to bring the area into attainment.

The overall plan to achieve sufficient emissions reductions and allow Wisconsin to attain the federal ozone standard is something that is negotiated between DNR, USEPA and the businesses and citizens of Wisconsin. A couple counties are already starting to find ways they can work to reduce emissions in their areas. Get involved in as many ways as possible, the earlier the better.

Voluntary Efforts

On July 3, 2003, the counties of Dane and Rock announced a partnership with the DNR to develop a set of voluntary efforts to reduce air pollution. Few details were provided in the announcement about the types of programs that will be attempted. Brown County has also announced plans for voluntary efforts. DNR says that Jefferson County has expressed interest in similar efforts.

These new voluntary efforts will likely be similar to the partnership called Wisconsin Partners for Clean Air (WPCA) that includes businesses in the six county nonattainment area around Milwaukee.

In 1996, southeastern Wisconsin leaders created WPCA to coordinate voluntary contributions of its members to improve air quality. WPCA provides members with up-to-date, pertinent information; promotes innovation and regulatory flexibility; and, helps members obtain emission-reduction credits towards compliance with the federal Clean Air Act.

Some of the benefits of membership in WPCA include:

- ✓ Voluntary action to avoid further regulation
- ✓ Positive community involvement
- ✓ Ozone Action! Day fax and e-mail notification
- ✓ Promotional materials (posters, brochures, Resource Kit)
- ✓ Corporate Citizenship
- ✓ Provide leadership to business community
- ✓ Environmental Stewardship
- ✓ Information
- ✓ Communication
- ✓ Appreciation
- ✓ Recognition

For more details on WPCA go to:

www.cleanairwisconsin.org

Contact Caroline Garber at DNR, 608/264-9218, for more information about the new voluntary efforts at the county level. For details on the ozone rules contact Robert Lopez at 608/267-5284. ♦

New Federal Resources for Small Business

Compliance Assistance and Single Points of Contact at EPA

The "Small Business Paperwork Relief Act of 2002" (SBPRA) requires that each federal agency designate a single point of contact that small businesses can access regarding their concerns or issues relevant to Information Collection Requests (ICR) and paperwork reduction/control.

On June 27, 2003, the list of "Compliance Assistance Resources and Points of Contact Available to Small Businesses" was published in the federal register. The EPA designated point of contact is Karen Brown, the federal Small Business Ombudsman, whose office supports all the state Small Business Ombudsman and Small Business Assistance Programs.

If you would like to view the full list, go to:
www.smallbiz-enviroweb.org/sba/sbptra2002_eparesources.html

You can reach Karen Brown's office toll free at 1-800-368-5888. ❖

New "Regulatory Alerts" Web Site from SBA

The Office of Advocacy at the US Small Business Administration (SBA) has launched a new web site to help small businesses cut through the maze that is the complex and confusing federal regulatory process.

The new web page provides one-stop access to proposed regulations, the ability to submit comments on the proposals, direct access to Advocacy staff, and links to other regulatory sites. The regulations are divided into easily recognizable subject areas, such as: environmental; safety, health and labor; and taxes.

The web site also links to non-governmental sites that review regulatory policy and makes recommendations for reform.

Check it out at:
www.sba.gov/advo/laws/law_regalerts.html
❖

Documenting Your Environmental Management Plan

USEPA's Small Business Division has produced the workbook "Documenting Your Environmental Management Plan - A Workbook for Small Business." This is a workbook to be used hand in hand with the "Practical Guide to Environmental Management for Small Business", which has been mentioned in past editions of the **Advisor**.

The workbook, used along with the Practical Guide, can help a small business owner to get environmental management issues organized one step at a time. It includes examples of completed documentation from two hypothetical small businesses - a marina, and a furniture refinishing company.

The section titles in the workbook are:

✓ Environmental Policy

- ✓ Responsibilities
- ✓ Getting it Written Down - Environmental Manual
- ✓ Making Progress Over Time - Setting Goals
- ✓ Keeping Track of Information - Recordkeeping
- ✓ Keeping Track of Information - Document Control
- ✓ Master Schedule of Reports, Notifications, and Permits
- ✓ Communication
- ✓ Training
- ✓ Keeping the EMP Alive and Well - Monitoring and Corrective Action

You can obtain a copy by calling the Small Business Clean Air Assistance Program (SBCAAP) at 608/264-6153 or email:

CleanAir@commerce.state.wi.us. ❖

Title V Permits for Area Sources

Sources affected by one of USEPA's air toxics standards, called either NESHAPs (National Emission Standards for Hazardous Air Pollutants) or MACT (Maximum Achievable Control Technology) standards, are required to obtain a Title V (major source) permit. There were six MACT standards that affected area sources (very small businesses) for which USEPA deferred the requirement to get a Title V permit.

The deferral is due to expire in December of 2004 and USEPA is considering its options with respect to these six area source categories. They can end the deferral and require all the sources to get Title V permits or exempt all of the categories from Title V. The six area source categories affected are:

- ✓ Dry Cleaners - Perchloroethylene
- ✓ Chromium Electroplaters
- ✓ Ethylene Oxide Sterilizers
- ✓ Halogenated Solvent Degreasers
- ✓ Secondary Aluminum Production Facilities
- ✓ Secondary Lead Production

Some states decided to permit these sources anyway. In Wisconsin the Title V permit program is regulated under ch. NR 407 of the Wisconsin Administrative Code, and is known as the Operation Permit Program. Wisconsin did not include the deferral of these area source categories in ch. NR 407, Wis. Adm. Code, but neither have they permitted all the sources affected.

Whether or not these source categories are required to obtain a Title V permit, they must comply with their MACT standard following the standard's compliance due date. Many states have developed effective tools to help these small businesses understand and comply with the regulations.

Florida was the first to develop a compliance calendar for dry cleaners to help the owners collect all the data they are required by the MACT standard to gather during a month. The calendar has check boxes for weekly leak checks of the equipment, there are boxes to log the condenser tem-

perature for refrigerated systems, and entries to track monthly perchloroethylene use as an average over every 12-month period.

Most state Small Business Assistance Programs now provide the compliance calendars to dry cleaners. The SBCAAP in Wisconsin has provided the calendar since 2000. Some states have added a form to the calendar so that the dry cleaners can self-certify to their compliance with the rule. Use of these tools, with or without permits, has been shown by a number of those states to get a higher compliance rate than permits alone. In fact, one state has received approval from USEPA to consider their system of annual calendars, check lists, and self-certification as equivalent to the MACT standard requirements. That state will not have to issue Title V permits for dry cleaners.

States in the Northeast are developing similar technical assistance tools for salvage yard operators that have aluminum sweat furnaces affected by the Secondary Aluminum MACT standard. One of our neighboring states will soon be providing dayglow stickers to place on degreasing units to remind operators of the Halogenated Solvent MACT work practice standards. The SBCAAP will be borrowing some of these tools for Wisconsin when they are available.

Assistance tools that "translate" the federal regulations into understandable language and that are laid out in a simple format can provide more environmental benefit by ensuring compliance than just sending out big stacks of paper, otherwise called permits. No small business owner has spare time to read a big permit much less spend hours translating it into actions they need to follow. These tools do that for them.

If you operate a business with one of the listed area source categories and have ideas about how the SBCAAP could help you comply with the MACT standard, please contact us. ***It may not change how your industry is permitted in Wisconsin, but any good idea for new assistance tools could make compliance easier.*** ❖

MACT Exemptions and Growth

The compliance due date for a number of USEPA's MACT rules have come and gone. Sources that were initially exempt from these rules may have outgrown the exemption levels without realizing it and will find themselves in trouble with the DNR, which has primary enforcement of the MACT rules.

A few of the MACT standards set out exemptions based on actual usage of coatings, etc. If a business somehow lost track of what exemption they fell under and had reasonable growth in production over the last 5-6 years, they may have surpassed those exemptions without realizing. It is very important to have periodic checks to make sure you have the necessary paperwork on file to be in compliance.

Wood Furniture Coating MACT Example

A primary example of this situation, that has started gaining notice at DNR, is the number of small facilities that may have met exemptions under the Wood Furniture MACT and have since grown beyond those. Any facility that used one of the exemptions under the Wood Furniture MACT and proceeded to grow could be required to come into full compliance with the MACT standard, be considered a major source, and have to apply for a Title V permit immediately.

Those exemptions are:

- ✓ If your primary function is NOT wood furniture coating, but do have some of the operations then so long as you use less than **100 gallons per month** of coating materials for wood furniture you are exempt.
- ✓ If you never use more than **250 gallons per month** of coating, gluing, cleaning, and washoff materials, including usage for manufacturing operations other than wood furniture

or wood furniture components, then you are exempt.

- ✓ If you never use more than **3000 gallons during any 12 consecutive month period** of coating, gluing, cleaning, and washoff materials, including usage for manufacturing operation other than wood furniture or wood furniture components, then you are exempt.

- ✓ Lastly, if you have **actual emissions of no more than 5 tons of any one HAP, or no more than 12.5 tons of any combination of HAPs**, including emissions from source categories other than wood furniture, during any 12 consecutive month period, then you are exempt.

Records Required for Exemptions

Each of these exemptions required that a facility maintain monthly usage records to demonstrate compliance starting on the effective date of the rule, at a minimum. These records are necessary on a continuing basis so long as the facility wishes to use the exemption. Unless the exemption states that it is on a 12-month rolling average the facility has to meet the exemption each and every month. If any one month exceeds the exemption level, the facility can see if their operations come under a higher exemption level. If they no longer fit under an exemption, the company will be required to: (1) submit an Initial Notification Form regarding the MACT standard, (2) come into compliance with the standard immediately, and (3) submit an application for a Title V permit.

Don't lose track of these MACT Standard exemptions and related records. Contact the SBCAAP at 608/264-6153 for exemption or compliance information on the Wood Furniture Coating MACT or other MACT Standards. ❖

Hot Topics in DNR's Air Program

Check them out at: www.dnr.state.wi.us/org/aw/air/hot/index

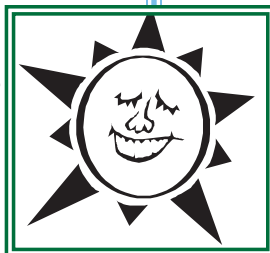
Manitowoc and Door Counties Redesignated to Attainment Temporarily

On July 15, 2003, DNR Secretary Scott Hassett signed the papers that redesignated Manitowoc and Door counties to attainment for ozone under the 1-hour standard. They will only be attainment counties until the final designations are made under the 8-hour standard. That is expected to occur around April 15, 2004.

While Manitowoc and Door counties are designated attainment they can enjoy some of the benefits of being attainment. The nonattainment area new source review requirements no longer apply, at least temporarily. This gives a little more flexibility to sources looking to build or modify processes that emit volatile organic compounds (VOCs).

The major source construction permit level for new sources will increase to 250 tons per year (TPY), unless you are one of 27 source categories with a 100 TPY level as listed in ch. NR 405, Wisconsin Administrative Code. Also, sources applying for a construction permit to install new or modify existing processes will not have to find offsets. The control technology level that would apply to the new or modified process would be BACT (Best Available Control Technology) instead of LAER (Lowest Achievable Emission Rates).

It is uncertain how long these benefits will last since USEPA has not provided details on the transition policy yet. It **may be** that anyone that has submitted a complete application prior to April 15, 2004, or whenever the 8-hour redesignation is final, can receive a permit under the attainment area rules. For details on the new source review process contact Steve Dunn at the DNR, 608/267-0566. ❖



DNR Announces the Air Permit Improvement Initiative

DNR Secretary Scott Hassett announced on June 24, 2003 the kick-off of a new Air Permit Improvement Initiative. There will be two aspects of the Air Permit process under review. The Air Permit Streamlining Project will be examining ways to make the permit process more efficient. Retooling the New Source Review (NSR) Regulations is a group that will evaluate how best to incorporate the USEPA's New Source Reform rule package, effective March 3, 2003, into Wisconsin's rules among other things.

The following are some points from the charge to each of the permit workgroups:

New Source Review Retooling Team

- ✓ Revise state NSR rule with federal changes.
- ✓ Ensure attainment of air quality standards is maintained.
- ✓ Develop guidance, tools, forms, etc. to improve applications and shorten review time.
- ✓ Provide more flexibility in construction permits.
- ✓ Revise regulations to make easier for staff, regulated entities and public to understand and participate.
- ✓ Establish performance criteria for Air Program.
- ✓ Involve stakeholders in collaborative process.

Air Permit Streamlining Team

- ✓ Decrease review time for operation and construction permits.
- ✓ Increase facilities' understanding of information required in applications.
- ✓ Improve understanding of how regulations apply to facilities and how that fits into a permit.
- ✓ Improve public understanding of permit process and how to participate.
- ✓ Increase time available to permit staff to explain permit to facility.
- ✓ Use technology enhancements to improve process.
- ✓ Establish performance criteria for Air Program.
- ✓ Involve stakeholders in collaborative process. ❖

New Inventory of Energy Assistance Providers

Manufacturers looking for assistance with energy-related plant technologies may now consult the National Inventory of Manufacturing Assistance Programs (NIMAP). The database, created by the Alliance to Save Energy for the U.S. Department of Energy Office of Industrial Technologies, provides a state-by-state listing of programs that provide plant assessments, rebates, financing, consulting, diagnostic tools, and other assistance to manufacturers. Services, mostly free of charge, are those provided primarily by state organizations and utilities. The full NIMAP database is available through the Office of Industrial Technologies website at **www.oit.doe.gov/bestpractices/nimap**.

Fuel bills can have a heavy impact on the bottom-line performance of an industrial manufacturer. Well-managed energy use and process efficiency can be crucial not only to a company's economic performance, but also to its workplace safety and emissions compliance.

The U.S. Department of Energy and the Alliance to Save Energy have found, however, that plant managers often have difficulty gaining access to the information they need to capture efficiency benefits. NIMAP is a cooperative effort to make available such local resources.

The NIMAP database lists over 160 programs offering energy and process efficiency assistance to manufacturers. Users can easily search the database for available programs by location or function. Services include plant assessments, troubleshooting, outside consulting, tools, research and testing, technical issues, training, and rebates and financial assistance.

The Alliance to Save Energy produced NIMAP for the U.S. Department of Energy Office of Industrial Technologies' BestPractices program. BestPractices programs address steam, compressed air, motors, and process heating. ♦

WISCONSIN DEPARTMENT OF COMMERCE

The Small Business Clean Air Advisor is published by the Wisconsin Department of Commerce, Cory L. Nettles, Secretary. To obtain free copies or to be placed on the mailing list, contact:

SBCAAP

201 W. Washington Ave,
P.O. Box 7970
Madison, WI 53707
Phone: 608/264-6153
Fax: 608/267-0436
Email: CleanAir@commerce.state.wi.us

Visit us at:
www.wienvirohelp.com



Serving Small Businesses and
the Environment in Wisconsin

PRSRT STD
U.S. POSTAGE
PAID
MADISON, WI
PERMIT NO. 1369

If addressee unknown, please route to
appropriate person:

- ☐ Environmental Manager,
- ☐ Health & Safety Manager,
- ☐ Plant Manager, or
- ☐ Owner/President